

David C. Hobbs

Bloomington, Indiana 47401

December 27, 2004

Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

MUR # 5638

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RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF THE
GENERAL COUNSEL

RE: Illegal Campaign Contribution

I am writing concerning an alleged violation of the Federal Election Campaign Laws and Regulations. My complaint primarily involves the conduct of General Electric Human Resources Manager Walter Casavecchia and International Brotherhood of Electrical Workers (IBEW) Local 2249 President/ Business Manager Glenn Collins.

In 2002, Bill Abbott, an employee of General Electric in Bloomington, Indiana, was a candidate in the 4th district for Congress. Mr. Abbott was also a candidate in the 2004 primary and holds a position on the Executive Board of IBEW Local 2249. Glenn Collins was sworn in as President/Business Manager of IBEW Local 2249 at the regular meeting in July 2002. Shortly thereafter Mr. Collins discussed, at a union meeting, that Walter Cassavechia had denied Bill Abbott a leave of absence from the company to campaign. Mr. Collins stated that he was authorizing Mr. Abbott to be compensated via a union voucher and Mr. Abbott was going to reimburse Local 2249 for his wages. Mr. Collins indicated the International Office of the IBEW was aware of the situation. This information should be found in the minutes of the Recording Secretary Carolyn Anderson around the September 2002 timeframe.

The 2003-2007 Bargaining Agreement between GE and IBEW Local 2249 includes definitions and outlines payment of Union Representatives under Article XVIII (See Exhibit A). There is also a Letter of Intent that provides more clarification of union representatives (See Exhibit B). This letter of intent broadens the term "other representatives" to include "represented employees who are duly authorized by such officials to absent themselves from work to conduct union business, provided the employee serves the union in business activity related to the union's role as the representative of bargaining unit employees at the location in question." Mr. Abbott was campaigning for office and did not meet the above criteria to receive compensation and benefits. The letter of intent also provides that the term "other employees" will also include employees on union business approved by the company. This agreement was written by Walter Casavecchia and acknowledged by Glenn Collins. Mr. Collins not only authorized an illegal campaign contribution under Federal Election Commission guidelines but he also violated the bargaining agreement that was ratified by the members he was elected to serve.

The union voucher is completed by the individual, authorized by the union, and submitted to the company. The Human Resources Department is responsible for verifying, authorizing and inputting the hours. Human Resources then sends to the Payroll Department who issues the employee a payroll check. Mr. Casavecchia is the Manager responsible for both the Human Resources and Payroll Departments at General Electric Bloomington location.

Mr. Casavecchia was aware of Mr. Abbott's campaign obligations via his request for leave of absence and local media coverage of his campaign activities. Mr. Casavecchia denied the unpaid leave of absence from General Electric but accepted union vouchers that did not meet the definition of union business. His willingness to accept and approve the vouchers allowed Mr. Abbott to receive compensation and benefits

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that he was not entitled to. The bargaining agreement lists the employee benefits applicable to employees of General Electric (See Exhibit C). The following are examples of selected benefits and potential problems.

GE Life, Disability and Medical Plan:

Mr. Abbott was allowed to continue these benefits as if he was campaigning for Congress on behalf of General Electric and the IBEW.

GE Pension Plan:

Mr. Abbott was allowed to accumulate Pension Qualified Service and Pension Benefit Service though he was not on an approved leave of absence. General Electric continued to pay into the Pension Account while Mr. Abbott campaigned for Congress.

GE Savings and Security Program:

This program allows employees to invest in a variety of Investment Options with a company-matching feature. Article XVIII - Union Representation outlines participation of union representatives (See Exhibit A). There is a special agreement in the contract concerning the Union Savings and Security Program. This agreement was written by Walter Casavecchia and acknowledged by Glenn Collins (See Exhibit B). Mr. Abbott was campaigning for office and did not meet the above criteria to receive this benefit. Although Mr. Abbott was denied the leave of absence the company was approving the voucher and therefore granting him benefits under the Savings and Security Program.

Article VIII - Continuity of Service - Service Credits (See Exhibit D)

Mr. Abbott was being paid and therefore receiving service credits and continuity of service while campaigning for office. Section 2 deals with the loss of Service Credits and Continuity of Service.

This complaint is based on my understanding of Federal Election Commission guidelines and my interpretation and opinion(s) that violations were committed by Walter Casavecchia, Glenn Collins, General Electric Company, and the International Brotherhood of Electrical Workers. Mr. Casavecchia and Mr. Collins commonly cut deals that violate the bargaining agreement between GE and the IBEW and in my opinion engage in activities that would be considered collusion. This usually results in a benefit to selected employee(s) and to the detriment of other employees. Therefore, it is my personal opinion that Glenn Collins and Walter Casavecchia were trying to circumvent the legalities that would prevent GE and the IBEW from compensating Mr. Abbott while campaigning for Congress.

Walter Casavecchia, Glenn Collins, the General Electric Company and the International Brotherhood of Electrical Workers allowed Mr. Abbott to receive compensation that failed to result from bona fide employment genuinely independent of one's candidacy, the compensation was not exclusively in consideration of services performed by the candidate, and the candidate was provided benefits that other employees absent from work would be denied.

I have attached a list of Respondents for your review. If you have any questions, please do not hesitate to contact me at the above address or call

Sincerely,

David C. Hobbs

David C. Hobbs

*Subscribed and sworn to before
me on this 8 day of Jan. 2005*



Respondents

Walter Casavecchia,
Human Resources Manager
General Electric -Bloomington Production Operations LLC.
301 N Curry Pike
Bloomington, Indiana 47401

Glenn R. Collins
President/Business Manager
International Brotherhood of Electrical Workers Local 2249
820 W. 17th Street, Suite 9
Bloomington, Indiana 47404-3374

Dirk Bowman
President
General Electric -Bloomington Production Operations LLC.
301 N Curry Pike
Bloomington, Indiana 47401

Lawrence P. Curley
Vice President, Sixth District
International Brotherhood of Electrical Workers
8174 Cass Avenue
Darien, Illinois 60561

Edwin D. Hill
International President
International Brotherhood of Electrical Workers
1125 15th Street, N.W.
Washington, D.C. 20005

Jeremiah J. O'Connor
International Secretary-Treasurer
International Brotherhood of Electrical Workers
1125 15th Street, N.W.
Washington, D.C. 20005

Jeffery R. Immelt
Chairman of the Board and Chief Executive Officer
General Electric Company
3135 Easton Turnpike
Fairfield, CT 06431-0002

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ARTICLE XVIII

UNION REPRESENTATION

Shop Steward: Union representative at the BTL level of the grievance procedure, assigned by the Union President, to one or more cost centers.

Shift Steward: Union representative at the Coach level of the grievance procedure, assigned by the Union President, to a particular Chief Steward on a particular shift.

Chief Steward: Union representative at the Coach level of the grievance procedure, assigned by the Union President, to a particular shift. Shop Stewards and Shift Stewards report to the Chief Steward on the respective shift.

1. PAYMENT OF GRIEVANCE TIME

- A. Shop stewards whose names have been furnished to the Management will be paid by the Company during each fiscal month, based on the GE fiscal calendar for 1 ½ (one and one half) hours per week while engaged in the investigation and processing of grievances, during their regular working schedule, and which involves employees they normally represent. All such payments will be made at the employees established rate.
- B. The Chief Stewards and Vice-President whose names have been furnished to the Management will be paid by the Company during each fiscal month, based on the GE fiscal calendar, for five (5) hours per week for Chief Stewards and Union Vice-President while engaged in the investigation and processing of grievances during their normal work schedule. All such payments will be made at the employees established rate.

C. The Union President shall receive payment for up to forty-two (42) hours by the Company during each fiscal month containing four (4) weeks for time spent during his regular working schedule in investigating or processing grievances at the first and second steps of the grievance procedure. When the fiscal month contains five (5) weeks the Union President shall receive up to fifty-two (52) hours of payment for the above purpose. All such payments will be made at the employee's established rate. When the President does not utilize all of the paid time to which he is entitled, he may carry such paid time forward from month to month. However, the maximum total amount of unutilized paid time carried forward shall not exceed fifteen (15) hours.

D. Members of the Shop Committee shall receive payment by the Company for time spent during their regular working schedule in meetings scheduled with Management for the purpose of discussing grievances in the Third step of the grievance procedure as set forth in Article XIX of this agreement. The Union President and Vice-President shall receive payment for up to four (4) hours per fiscal week for grievance investigations prior to and including meetings with Management representatives. The remainder of the Shop Committee shall receive payment for four (4) hours per fiscal week for time spent in meetings scheduled with management for the purpose of hearing grievances in the Third Step of the Grievance Procedure. This allowance is to apply only where such meetings are with the Shop Committee and

not with individual members thereof. When the individual members of the Shop Committee do not utilize all of the paid time to which they are entitled, they may carry such paid time forward to the next month only. Therefore, there will not be more than eight (8) paid hours in any month. The total number of Shop Committee members and those who may receive such payments for a given meeting with Management shall be limited to six (6) as designated by the Local.

- E. The Union shall within two (2) weeks of the selection of members of the Shop Committee submit to the Human Resources Manager by certified letter, signed by the President, the names of the members of the Shop Committee, and will promptly advise the Company of any changes in such committee.
- F. Whenever an OSHA inspection shall occur in a work area that includes employees represented by the Local Union, the shop steward or other employee designated by the Union who accompanies the OSHA inspector as the employees' representative will be paid for time lost from work during such inspection.

2. PRESIDENT, CHIEF STEWARD, SHIFT STEWARD, SHOP STEWARD

- A. The Management will recognize one Shop Steward for each BTL, equivalent manager, or clearly identified work group (normally equal to 70 employees). The maximum number of shop stewards will be determined based on the total number of employees in the plant. Management and the Union will determine the distribution of stewards throughout the plant.
- B. The Management will recognize two (2) Chief Stewards. Such assignment will not be made

to the third shift until active employment level reaches or exceeds 300 members.

- C. The Management recognizes that the Union President or Vice President may leave his assigned work to fulfill his Union duties.
- D. The activities of the Stewards shall be limited to the work area which they are respectively designated to represent unless reassigned by the Chief Steward, with notification to the BTL's affected.
- E. Shop Stewards will not leave their assigned work to investigate or process grievances without first notifying their immediate BTL. If the nature of the work is such that the Shop Steward cannot immediately be spared, the BTL will make suitable arrangements to release the Shop Steward within one hour following the Shop Stewards request, or prior to the end of their shift, whichever comes first. Upon stopping his regular work to process grievances, the Shop Steward will obtain a Union time voucher and both the BTL and Shop Steward shall sign the voucher for notification for time elapsed.
- F. The Union shall notify the Human Resources Manager and the BPO payroll office in writing signed by the President, of the names of the designated Shift Stewards, Shop Stewards, and Chief Stewards. Management will recognize appointed Stewards upon the dating and initialing of such notice by the Human Resources Manager. The Union will promptly advise the Management of any changes in office or position.
- G. The Union agrees that only authorized officers or agents of the Union will act for or on behalf of the Union under the term of this agreement.

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3. LAYOFF DEFERMENT

- A. At time of layoff from work due to a lack of work situation and reduction in force, excluding temporary layoffs as defined in Article X, the Union President, Vice President, Financial Secretary, Recording Secretary, Treasurer, and Chairman of the Executive Board (a maximum of six such elected officials) who have accumulated six months or more of service credits, and, as recognized in section 1 above, and as permitted by law, shall be assigned any work available for which they are qualified so long as there is work available. Under no circumstances will layoff preference apply for the President, Vice President, Financial Secretary, Recording Secretary, Treasurer, and Chairman of the Executive Board except for lack of work situations as provided above and then such preferences shall be given only upon the written request of the Union made to the Management specifically stating the individuals to be granted such layoff deferment.
- B. At time of layoff from work due to a lack of work situation and reduction in force, excluding temporary layoffs as defined in Article X, the Shop Stewards, Shift Stewards and Chief Stewards, who have accumulated six months or more of service credits and as recognized in section 1 above, shall on advance written request of the Local be deferred from layoff and shall be assigned any work available for which they are qualified, so long as there is work available in their area. Under no circumstances will layoff preference apply for the Shop Stewards, Shift Stewards

and Chief Stewards except for lack of work situations as provided above and then such preference will be given only upon the advance written request of the Union made to the Management specifically stating the individuals to be granted such layoff deferment.

4. UNION LEAVES OF ABSENCE

- A. An employee who is designated President/Business Manager and not more than (2) other officers or officials of the Union who have one (1) or more years of continuous service with the Company and who represent the Local Union in its relations with the Company shall, at the written request of the Union be granted 'up to one year' (1) leave of absence from the Company for Union business. Such leave of absence will be granted without pay and without forfeiture of prior accumulated continuous service or seniority. Such leaves shall be limited to not more than three (3) officers or officials of the Union at any one time.
- B. If application is made prior to the end of such leave of absence, such leave may be extended yearly, provided such extension is mutually agreed upon by the Company and the Union.
- C. Solely for determining relative seniority for purposes of layoff and rehire, such employee shall have added to his prior accumulated continuous service the total period of any such leave of absence.
- D. At the conclusion of the term of a leave of absence of sixty (60) days or more for Union business or at an earlier date within the term of the leave and upon a notice of thirty (30)

days by the employee to the Company, such employee will be reemployed in work of the same or similar character in the same or other division of the same plant, if qualified therefore, and if entitled thereto on the basis of their prior accumulated continuous service.

ARTICLE XIX GRIEVANCE PROCEDURE

A grievance which involves the interpretation or application of this agreement or a disciplinary penalty (including discharge, FEDERAL, STATE OR LOCAL LAW, ADMINISTRATION OF COMPANY POLICIES, SAFETY AND ERGONOMICS) may be filed by an employee alone, or with the assistance of his steward, or by the Union. Grievances will be processed only by recourse to the successive steps outlined in this Article.

Grievances of a general nature, which involve plant-wide considerations may be submitted directly to Step 3 of the Grievance Procedure. Such grievances shall be in writing giving all pertinent information and specifying the relief requested and must be submitted by the Chief Steward or President of the Union to the Human Resources Manager or the designated representative of the Human Resources Manager..

1. STEP 1

Within five (5) working days of the time of the occurrence or knowledge of the situation, condition or action of management that creates an employee issue, the employee alone or with the assistance of the Steward or designated Union Representative, shall state the grievance verbally to his BTL. The BTL must respond to this issue by meeting with the employee, and the Steward if

Mr. Glenn Collins, President
I.B.E.W. Local 2249
820 W. 17th St. Suite 9
Bloomington, IN 47404

June 26, 2003

Dear Mr. Collins:

This letter is to clarify the term "other representatives" as used in the first paragraph of the Union Representatives Savings and Security Program Agreement between the General Electric Company and IBEW Local 2249.

In addition to the union officials identified in Article XVIII, Section 2 of the 2003-2007 Local Agreement, the term "other representatives" may include represented employees who are duly authorized by such officials to absent themselves from work to conduct union business, provided the employee serves the union in business activity related to the union's role as the representative of bargaining unit employees at the location in question. The term "other employees" will also include employees on union business approved by the Company.

Please signify your concurrence with this interpretation by signing this letter.

Sincerely,

Walter E. Casavecchia, Manager
Human Resource/Community Relations
GEA-Bloomington Production Operations, LLC

Acknowledged by

Glenn Collins
President / Business Manager
IBEW Local 2249

APPENDIX B

**2003 MEMORANDUM OF AGREEMENT
ON
EMPLOYEE BENEFITS**

**GEA-BLOOMINGTON PRODUCTION
OPERATIONS, LLC
AND
IBEW LOCAL 2249**

This Memorandum of Agreement entered into between GEA-Bloomington Production Operations, LLC (hereinafter referred to as "Company"), and IBEW Local 2249, (hereinafter referred to as "Union"), shall be applicable to and binding upon the Company, the Union and employees represented by the Union as set forth in the Union Recognition provision of the 2003-2007 Collective Bargaining Agreement between the parties.

- I. Year 2003 Benefit Plan Changes as Provided in Appendix B, Attached Hereto
- II. Incorporation of Benefits Plans
The Company shall continue to make available to employees represented by the Union, the benefit plans listed below* with the changes set forth in Section I above, as they may be amended in accordance with their terms and as they are made available to represented eligible employees. Copies of the applicable revised General Electric Employee Benefits Summary Plan Description and Plan Documents will be given to the Union when available.

- A. GE Life, Disability and Medical Plan
- B. GE Pension Plan
- C. GE Savings and Security Program
- D. GE Long Term Disability Income Plan
- E. GE Personal Accident Insurance Plan
- F. GE Dependent Life Insurance Plan
- G. GE Emergency and Family Aid Plan
- H. GE Individual Development Program
- I. GE Pensioners Hospital Indemnity Plan
- J. GE Long Term Care Insurance Plan
- K. GE Security Life Insurance Plan
- L. GE A Plus Life Insurance Plan

* Included are alternative health options that are made available as a voluntary option to the listed plans and as the alternative health options are amended in accordance with their terms and offered to represented eligible employees; provided, however, that the Company shall maintain the benefit and cost-sharing provisions of the alternative health option known as Health Care Preferred for the term of this Agreement, except as otherwise agreed by the Company and its unions with which it has National Agreements.

III. The claim of an employee concerning rights under the terms of these listed benefit plans may be processed in accordance with the grievance procedure as set forth in the collective bargaining agreement between the parties but shall not be subject to arbitration except by mutual agreement.

IV. The Company and the Union, having negotiated concerning the subject of

employee benefits, each waives the right to require that the other bargain collectively concerning any and all matters relating thereto during the term of this Agreement and agree that there shall be no employee demonstration, strike, or lockout in connection with such matters during the term of this Agreement.

V. Modification and Termination

The Memorandum of Agreement on Employee Benefits may be modified or terminated on the same basis as the **2003-2007** Collective Bargaining Agreement between the Company and the Union.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed to this Agreement by their respective duly authorized representatives this 26th day of June, 2003.

INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS
LOCAL 2249

GEA-BLOOMINGTON
PRODUCTION
OPERATIONS, LLC

Glenn Collins

Walter Casavecchia

Joe Adams

Mike Baran

Ron Johnson

Joseph N. Jones, Jr

Bill Cummings

Kent Suiters

Bill Mitchell

Jack Morrison

Tim Smith

emergency illness at home, death in his family, layoff or Union activity; or

- (3) An employee who is not at work on either or both such workdays solely due to military encampment or jury duty.
- (4) An employee who is absent from work on either the last scheduled workday prior to double consecutive holidays or his next scheduled workday after such double consecutive holidays (in such case, the employee will be entitled to holiday pay only for the first of such double consecutive holidays if he works the last scheduled workday prior to that holiday, but not the scheduled workday after the second holiday; and he will be entitled to holiday pay only for the second of such double consecutive holidays if he fails to work the last scheduled workday prior to the first of such double consecutive holidays but works the next scheduled workday after the second of such double consecutive holidays).

Local Management and the Local Union at each plant may agree in writing to substitute a different holiday in place of any of the above-listed holidays for all purposes.

ARTICLE VIII

CONTINUITY OF SERVICE – SERVICE CREDITS

1. DEFINITION OF TERMS

- (A) "Continuity of Service" designates the status of an employee who has service credits totaling fifty-two (52) or more weeks.
- (B) "Continuous Service" designates the length of each employees continuity of service, and

shall equal the total service credits of an employee who has "Continuity of Service."

- (C) "Service Credits" are credits for periods during which the employee is actually at work for the Company, or for periods of absence for which credit is granted (as provided in Section 3).
- (D) "Absence" is the period an employee is absent from work either with or without pay (except a paid vacation period), computed by subtracting the date following the last day worked from the date the employee returns to work. Each separate continuous period away from work shall be treated as a single absence from work.
- (E) "Illness" shall include pregnancy, whenever the Supervisor or other immediate supervisory personnel is notified prior to absence from work.

2. LOSS OF SERVICE CREDITS AND CONTINUITY OF SERVICE.

- (A) Service credits previously accumulated and continuity of service, if any, will be lost whenever the employee:
 - (1) Quits, dies, resigns, retires or is discharged.
 - (2) Is absent from work for more than two consecutive weeks without satisfactory explanation.
 - (3) Is absent from work because of personal illness or accident and fails to keep the Company notified monthly, stating the probable date of his return to work.
 - (4) Is notified within a year from date of layoff that he may return but fails to return or to give satisfactory explanation within two weeks.

- (5) Is absent from work without satisfactory explanation beyond the period of any leave of absence granted him by the Company.
 - (6) Is absent from work for a continuous period of more than one year for any reason, other than (a) a leave of absence, granted in advance, or (b) an absence due to compensable accident (up to 18 months) or compensable illness (up to 18 months).
- (B) Individuals who at the time of layoff had one (1) year of continuous service shall, despite loss of service as a result of such layoff, be retained on the recall list and be eligible for reemployment in accordance with Article X, Section 6 for a period of sixty (60) months following layoff or until retirement, whichever occurs first. Similarly, in the cases of individuals with the required service due to illness or injury, the same extended recall arrangement will be made only if:
- (1) The individual reports promptly to the personnel office for employment upon recovery.
 - (2) The individual is otherwise eligible in which case he will promptly thereafter have his name added to the recall list.
- (C) If the Company re-employs an employee who has lost service credits and continuity of service because of layoff due to lack of work for more than one year, because of absence due to illness or injury for more than one year, or because of termination for transfer to a successor employer, such employee shall have such service credits and continuity of service automatically restored if his

continuous service at the time of his layoff, termination for transfer to a successor employer, or first day of illness was greater than the total length of such absence or if the employee has recall rights under Section 2(b) of this Article or if the employee is placed under Preferential Placement.

- (D) The service record of each employee laid off and re-employed after layoff will be reviewed by the Company at the time of his re-employment and in each case, such employees will be notified as to his service credits and continuity of service, if any.
- (E) If the Company re-employs on or after June 27, 1988, a former employee who had continuity of service at the time of a previous termination of Company employment (and the employee is not eligible for automatic service restoration under Section 2(c), the Company shall restore such continuity of service after the employee has completed three years of continuous service following reemployment. An employee in the process of service restoration under this Section who is laid off and again rehired or recalled shall have all service credits earned following reemployment on or after June 27, 1988, accumulated for the purpose of service restoration under this Section 2.(E).
- (F) Service restoration provided for in Section 2 will be contingent upon the employee's full repayment of any of the Lump Sum Benefits paid under Article XXV: Income Extension Aid under Section 4(b)(1)(iii), Special Voluntary Layoff Bonus under Section 4(c), Special Retirement Bonus under Section 3(b), or severance pay due to a plant closing

termination which occurred within six months prior to the date of re-employment. Such repayment must be made within a reasonable time after rehire. No such repayment is required of benefits paid if the re-employment date is more than one year from the date of the prior termination.

3. SERVICE CREDITS

Service Credits for each employee shall be granted for periods during which the employee is actually at work for the Company, credits for absences shall be added to an employee's service, after re-employment with continuity of service or prior service credits, as follows:

- (A) Employees when reemployed with prior service credits or continuity of service following absence due to illness, accident, layoff, or leave of absence granted by the Company, because of termination for transfer to a successor employer, or due to plant closing, will receive service credits for up to a total of the first twelve months of such absence. Where the absence of an employee, with continuity of service, is due to a compensable accident or compensable illness, and the employee is reemployed without loss of continuity of service, service credits will be granted for the period of this absence in excess of twelve months up to a maximum of six additional months.
- (B) For all other absences of two weeks or less, such employees will receive service credits, but, if the absence is longer than two weeks, no service credits will be allowed for any part of such absence.